
Tobin & Co.

Milton Township

Antrim County, Michigan

Audit Report

For the Year Ended March 31, 2007

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name Milton Township	County Antrim
Fiscal Year End 3/31/07	Opinion Date 8/27/07	Date Audit Report Submitted to State 9/25/07	

We affirm that:

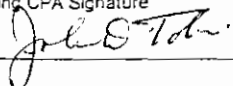
We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

- YES NO Check each applicable box below. (See instructions for further detail.)
- ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
 - ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
 - ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
 - ☒ ☐ The local unit has adopted a budget for all required funds.
 - ☒ ☐ A public hearing on the budget was held in accordance with State statute.
 - ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
 - ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
 - ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
 - ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
 - ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
 - ☒ ☐ The local unit is free of repeated comments from previous years.
 - ☒ ☐ The audit opinion is UNQUALIFIED.
 - ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
 - ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
 - ☐ ☒ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input checked="" type="checkbox"/>		
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) Tobin & Co., P.C.		Telephone Number 231-947-0151	
Street Address 400 E. Eighth St.		City Traverse City	State Zip MI 49686
Authorizing CPA Signature 	Printed Name JOHN D TOBIN		License Number 1101005221

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Table of Contents

INTRODUCTORY SECTION

Comments and Recommendations	4 - 6
------------------------------	-------

FINANCIAL SECTION

Accountant's Report	8
Management's Discussion and Analysis	9 - 12

Basic Financial Statements

Government-wide Financial Statements:	
Statement of Net Assets	13
Statement of Activities	14

Governmental Funds:	
Balance Sheet	15
Statement of Revenues, Expenditures and Changes in Fund Balances	16
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances	17

Fiduciary Funds	
Statement of Fiduciary Net Assets	18

Notes to Basic Financial Statements	19 - 24
-------------------------------------	---------

SUPPLEMENTAL DATA SECTION

Required Supplementary Information:	
Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
1 - General Fund	26 - 29
2 - Fire Fund	30
3 - Weathertop Special Assessment District	31

Non-major Governmental Funds:	
3 - Combining Balance Sheet – All Non-Major Funds	32
4 - Combined Statements of Revenues, Expenditures and Changes in Fund Balance – All Non-Major Funds	33
5 - Statement of Changes in Assets and Liabilities – Current Tax Collection Fund	34

Other Supplementary Information:	
6 - 2006 Property Tax Levy and Collection	35
7 - Statement of Revenues and Expenditures and Balance – Property Tax Administration Fees	36

INTRODUCTORY SECTION

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Comments and Recommendations

We have audited the basic financial statements of Milton Township, Antrim County, for the year ended March 31, 2007 and have issued our report thereon. As part of our examination, we made a study and evaluation of the Township's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the Township's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

Our study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal control of Milton Township taken as a whole. As a result of our examination, we respectfully submit the following comments and recommendations.

General

When we began our audit, the cash account balances of the Clerk and Treasurer were not in balance. A member of our staff reconciled the records for the entire fiscal year. There were many corrections that were necessary, and those adjustments were made. Further, those adjustments had to be made before we could begin our audit.

The Treasurer and the Clerk should present written reports to the Board each month. The Treasurer's report should show all bank balances and a breakdown of the balances by fund. The Clerk's reports should include a report of revenues and expenditures compared to budgets and a balance sheet in which the cash balances agree with the Treasurer's report. With these reports available, the Board can make financial decisions based on current, accurate financial data.

Budgets and Procedures

The Township prepared and adopted budgets for all funds. In the General Fund, one cost center exceeded its expenditure budget. It appears that budgeted amounts were being monitored during the year.

Bank Accounts

All Township deposits are at one bank, and of those funds \$1,215,898 is uninsured by the Federal Deposit Insurance Corporation at March 31, 2007. While we are not recommending any modification to existing bank relationships, the Board should continue to be aware of this fact and monitor the safety of the Township's assets.

The Township has a savings account for Weatherstop Special Assessment District at Alden State Bank. This account is not on the Clerk's general ledger. If all accounts on the Treasurer's monthly report had been reconciled with the Clerk's records this would have been corrected before our audit. The account was opened by the former Treasurer and was not in the Treasurer's records when the current Treasurer took office. This account was brought to the attention of the Treasurer during last year's audit, and, apparently, the Clerk was not informed at that time.

Government-wide Financial Statements

The total net assets of the Township were \$2,689,050 at March 31, 2007. Of this total, \$1,360,623 consists of the undepreciated cost of capital assets, net of related debt, and \$1,074,326 is unrestricted and may be used for the general operation of the Township.

The net assets of the Township increased by \$68,273 as indicated in the Statement of Activities for the year ended March 31, 2007.

General Fund

The General Fund is presented on Schedule I. The fund balance increased during the year by \$21,667 and amounted to \$446,013 at March 31, 2007.

Fire Fund

This fund, presented on Schedule 2, is used to account for a special voted levy for fire protection. The Fund balance increased by \$25,126 during the year, and the ending Fund balance was \$549,589.

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Comments and Recommendations

Weatherstop Special Assessment District

This Fund accounts for road improvements in Weatherstop subdivision. The debt incurred to finance the road improvements is being repaid as special assessments are received from subdivision property owners.

Liquor Law Enforcement Fund

This Fund, presented on Schedules 4 and 5, is used to account for liquor license refunds from the State of Michigan. These fees may be used only to enforce the State liquor laws. The Fund balance at March 31, 2007 was \$6,628.

Park Fund

This Fund, presented on Schedules 3 and 4, was created to account for transactions relating to the Township parks. Revenues amounted to \$3,000. The Fund balance at March 31, 2007 was \$14,129.

Special Revenue Funds

The Township should create a Special Revenue Fund to account for revenues received for the Metro Act. The new fund will be similar to the Fire Fund.

Property Tax Administration Fees

As permitted by statute, Milton Township levied a 1% administration fee on all 2006 property taxes. This fee may be used only for such property tax administration expenses as assessing, collecting, and the review and appeal process. As noted on Schedule 8, the accumulated excess of expenses over fee collections at March 31, 2007 was \$95,984. Costs allocated to the administration fee should be reviewed each year. This excess cost increased significantly during the year.

Property Tax Collections

The collection of the 2006 tax levy has handled well by the Township Treasurer. Paid receipts were filed in order of payment, and deposits appeared to be made timely and intact. Distributions were made to taxing units at March 31, 2007. These distributions should be made soon after the Treasurer settles with the County Treasurer.

Distributions of taxes collected for the ambulance service and for the District Library should be distributed annually by March 31.

Capital Assets

Capital assets are required to be depreciated over their useful lives with the undepreciated cost presented in the Statement of Net Assets.

Insurance and Surety Bond Coverage

Records reflect that the Township has such coverage as fire and extended coverage, general liability, equipment, errors and omissions, crime and workmen's compensation. Coverage was reviewed during the audit year. The Clerk, Treasurer, Deputy Clerk, Deputy Treasurer, have surety bond coverage.

Inter-fund Loans

There were no inter-fund loans during the year.

Payroll Procedures

For the most part, payroll records appeared to be in proper order. Computerized records are being utilized in calculating and issuing paychecks and generating information for payroll tax reports.

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Comments and Recommendations

Cash Disbursements

There are periodic purchases by Township employees at the Village Market. We were not able to find purchase receipts or register tapes identifying the purchases. If supporting documentation does not exist, Township funds may not be used to pay the amounts on the statement.

Other Data

We were pleased to note the use of interest bearing accounts which resulted in earned interest of over \$57,000 for the audit year. We commend efforts of the Treasurer and Board members in this important area of financial management.

After completion of our audit, we will submit the necessary copies of our report to the State Department of Treasury.

We appreciate the courtesy extended our field auditor in the conduct of this audit.

Your confidence is respected. Please contact us if questions arise or assistance is needed.

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FINANCIAL SECTION

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REPORT OF INDEPENDENT AUDITOR

To the Township Board
Milton Township
Antrim County
Kewadin, Michigan 49648

We have audited the accompanying financial statements of the governmental activities and each major fund of Milton Township as of and for the year ended March 31, 2007, which collectively comprise the Township's basic financial statements, as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the governmental activities and each major fund of Milton Township at March 31, 2007, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the GASB. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Table of Contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements of Milton Township. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



TOBIN & CO., P.C.
Certified Public Accountants
August 27, 2007

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MILTON TOWNSHIP MANAGEMENT'S DISCUSSION AND ANALYSIS

As the Township Administrative Officials of the Milton Township, Antrim County, we offer readers of the township's financial statements this narrative overview and analysis of the financial activities of Milton Township for the fiscal year ended March 31, 2007.

Financial Highlights

The assets of Milton Township exceeded its liabilities at the close of the most recent fiscal year by \$2,689,050. Of this amount, \$1,074,389 may be used to meet the Township's ongoing obligations to citizens and creditors.

As of the close of the current fiscal year, Township's governmental funds reported combined ending fund balances of \$1,041,947, an increase of \$3,087 in comparison with the prior year. This amount, \$995,602, is available for spending at the Township's discretion.

At the end of the current fiscal year, unreserved fund balance for the general fund was \$446,013, or 65% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Milton Township's basic financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information, in addition to the basic financial statements themselves.

1. Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Township's finances, in a manner similar to a private-section business.

The **statement of net assets** presents information on all of the Township's assets and liabilities, with the difference between the two reported as **net assets**. Over time, increases or decreases in net assets may serve as a useful indicator of whether the Township's financial position is improving or deteriorating.

The **statement of activities** presents information showing how the Township's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused credits, and used but not paid expenses).

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (**governmental activities**) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (**business-type activities**). The governmental activities of the Township include: General Government, Public Safety, Road Projects, Recreation and Culture, and Township Improvements. Milton Township does not have any business-type activities (examples would include water and sewer, golf courses, etc.).

2. Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Milton Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Milton Township are categorized as governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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Milton Township maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Fire Fund, and Weathertop Special Assessment Fund which are considered to be major funds. All Township government activities are included in these six funds.

The Township adopts an annual appropriated budget for its general fund and special revenue funds. A budgetary comparison statement has been provided for the general fund and other major funds to demonstrate compliance with this budget.

3. Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

General Fund Analysis and Highlights

The general fund is the chief operating fund of the Township. At the end of the current fiscal year, unreserved fund balance of the general fund and the total fund balance was \$446,013. Unreserved fund balance represents 65% of total general fund expenditures for the year.

The fund balance of the Township's general fund increased by \$21,667 during the current fiscal year.

Differences between the original budget and the final amended budget were minimal. No increase or decrease in appropriations of the total budget was made during the year. The total dollars spent in general fund activities was \$113,025 less than appropriated.

For the most part, increases in expenses closely paralleled inflation and growth in the demand for services

Analysis of Balances and Transaction of the Other Township Funds

The Fire Fund is maintained by a special assessment district millage of one mil. These funds can only be used in conjunction with our Fire Department operations. Property taxes collected during the year amounted to \$249,544. At the end of the current fiscal year, the total fund balance was \$549,589. This fund increased by \$25,126 over the previous fiscal year's fund balance.

Condensed Financial Information

	Net Assets	
	Governmental and Total Activities	
	3/31/07	3/31/06
Current Assets	\$ 1,264,708	\$ 1,275,570
Capital Assets	1,972,008	1,610,169
Other Long-term Assets	<u>237,670</u>	<u>248,073</u>
Total Assets	3,474,386	3,133,812
Current Liabilities	173,951	178,911
Long-term Debt	<u>611,385</u>	<u>334,124</u>
Total Liabilities	785,336	513,035
Net Assets:		
Investment in Capital and Intangible Assets	1,360,623	1,610,169
Restricted	254,038	270,406
Unrestricted	<u>1,074,389</u>	<u>740,202</u>
Total Net Assets	<u>\$ 2,689,050</u>	<u>\$ 2,620,777</u>

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Activities

	Governmental and Total Activities	
	<u>3/31/07</u>	<u>3/31/06</u>
Program Revenues:		
Charges for Services	\$ 46,367	\$ 49,552
General Revenues:		
Property Taxes	702,496	702,210
State Shared Revenues	149,021	147,075
Other	<u>120,125</u>	<u>89,714</u>
Total Revenues	1,018,009	988,551
Expenses:		
Legislative	27,159	30,731
General Government	280,783	388,049
Public Safety	295,514	141,371
Public Works	135,228	159,772
Recreation and Cultural	149,383	144,090
Other	<u>61,669</u>	<u>10,474</u>
Total Expenses	<u>949,736</u>	<u>874,487</u>
Change in Net Assets	<u>\$ 68,273</u>	<u>\$ 114,064</u>

Capital Asset and Debt Administration

Capital Assets

The Township's investment in capital assets for its governmental activities as of March 31, 2007, amounts to \$1,972,008. This investment in capital assets includes: several parcels of land, Township Hall, Fire and Rescue Barns, Fire and Rescue Trucks and Equipment, and Office Furniture and Equipment. All of our government funds report capital outlays as expenditures. However, in the government-wide financial statements, the cost of the assets is allocated over their useful life. This fiscal year the amount by which capital outlays exceeded depreciation was \$361,838. This reflects the purchase of a new fire truck which cost approximately \$380,000.

The Parks Fund is used for operations and improvements to Township parks. Contributions amounting to \$3,000 were received during the year. The ending fund balance was \$14,129.

Cash Assets

At the end of the current fiscal year, the Township had \$1,215,898 in cash and other spendable assets. Substantially all of the cash was held in interest-bearing accounts. The Township is limited by State law in how it can invest these funds, and we have made no changes in our investment strategy in several years.

Long-term Debt

At the end of the current fiscal year, the Township had bonded and installment debt outstanding of \$611,385. This was incurred in connection with the acquisition of land, construction of the fire hall, and a special assessment district road improvement. The purchase of the new fire truck in the current year was financed with an installment contract of \$316,511, payable over five years, and the Fire Hall debt was paid off during the year.

Pension Plan

The Township has a defined contribution retirement plan for all elected officials and full-time employees (not firemen and seasonal employees). The Township makes contributions equal to 10% of each covered employee's wage. This is an expensed item in the budget and totaled \$16,690 for the fiscal year.

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Currently Known Facts and Conditions

The Township Board intends to have a walking track constructed in the Township park, and there are no other known changes or activities in Township operations.

Requests for Information

This financial report is designed to provide a general overview of Milton Township's finances for all those with an interest in the Township's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mr. Lon Bargy, Supervisor, Milton Township, 7023 Cherry Avenue, Kewadin, MI 49648 (231-264-6612).

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Milton Township Statement of Net Assets March 31, 2007

Governmental Activities And Total

Assets

Cash and Cash Equivalents		\$ 1,215,898
Special Assessment Receivable:		
Current		16,368
Deferred		237,670
Taxes Receivable		32,442
Capital Assets:		
Land	\$ 305,747	
Other Capital Assets, Net of Depreciation	<u>1,339,778</u>	1,645,525
Intangible Assets, Net of Amortization		<u>326,483</u>
Total Assets		<u>3,474,386</u>

Liabilities

Accounts Payable and Accrued Expenses	78,876
Undistributed Taxes	95,075
Long-term Liabilities:	
Due Within One Year	85,942
Due in More Than One Year	<u>525,443</u>
Total Liabilities	<u>785,336</u>

Net Assets

Invested in Capital and Intangible Assets, Net of Related Debt	1,360,623
Restricted for:	
Special Assessments	254,038
Unrestricted	<u>1,074,389</u>
Total Net Assets	<u>\$ 2,689,050</u>

See Accompanying Notes to Basic Financial Statements

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Milton Township Statement of Activities March 31, 2007

Functions/Programs	<u>Expenses</u>	<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities and Total</u>
Governmental Activities:				
Legislative	\$ 27,159	\$ -	\$ -	\$ (27,159)
General Government	280,783	46,367	-	(234,416)
Public Safety	295,514	-	-	(295,514)
Public Works	135,228	-	-	(135,228)
Recreation and Cultural	149,383	-	-	(149,383)
Interest on Long-Term Debt	<u>61,669</u>	<u>-</u>	<u>-</u>	<u>(61,669)</u>
Total Governmental Activities	<u>\$ 949,736</u>	<u>\$ 46,367</u>	<u>\$ -</u>	<u>(903,369)</u>
General Revenues:				
Property Taxes				702,496
Grants and Contributions Not Restricted to Specific Programs				149,021
Unrestricted Investment Earnings				57,162
Miscellaneous				<u>62,963</u>
Total General Revenues				<u>971,642</u>
Change in Net Assets				68,273
Net Assets – Beginning				<u>2,620,777</u>
Net Assets – Ending				<u>\$ 2,689,050</u>

See Accompanying Notes to Basic Financial Statements

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Milton Township Balance Sheet Governmental Funds March 31, 2007

	<u>General</u>	<u>Fire</u>	<u>Weathertop</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash and Cash Equivalents	\$ 619,964	\$ 549,589	\$ 22,547	\$ 23,798	\$ 1,215,898
Special Assessment:					
Current	-	-	16,368	-	16,368
Due In More Than One Year	-	-	237,670	-	237,670
Taxes Receivable	<u>17,621</u>	<u>14,821</u>	<u>-</u>	<u>-</u>	<u>32,442</u>
Total Assets	<u>\$ 637,585</u>	<u>\$ 564,410</u>	<u>\$ 276,585</u>	<u>\$ 23,798</u>	<u>\$ 1,502,378</u>
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts Payable	\$ 74,754	\$ -	\$ -	\$ -	\$ 74,754
Wages, Pension, and Payroll Taxes	4,122	-	-	-	4,122
Undistributed Taxes	95,075	-	-	-	95,075
Deferred Revenue	<u>17,621</u>	<u>14,821</u>	<u>254,038</u>	<u>-</u>	<u>286,480</u>
Total Liabilities	<u>191,572</u>	<u>14,821</u>	<u>254,038</u>	<u>-</u>	<u>460,431</u>
Fund Balances:					
Reserved	-	-	-	-	-
Unreserved	<u>446,013</u>	<u>549,589</u>	<u>22,547</u>	<u>23,798</u>	<u>1,041,947</u>
Total Fund Balances	<u>446,013</u>	<u>549,589</u>	<u>22,547</u>	<u>23,798</u>	<u>1,041,947</u>
Total Liabilities and Fund Balances	<u>\$ 637,585</u>	<u>\$ 564,410</u>	<u>\$ 276,585</u>	<u>\$ 23,798</u>	

Amounts reported for governmental activities on the statement of net assets are different because:

Capital and intangible assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 1,972,008

Property taxes receivable are not deferred in the statement of net assets. 32,442

Long-term liabilities do not use current financial resources, and therefore, are not reported in the funds. (611,385)

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. 254,038

Net assets of governmental activities. \$ 2,689,050

See Accompanying Notes to Basic Financial Statements

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Milton Township
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended March 31, 2007

	General	Fire	Weatherstop	Other Governmental Funds	Total Governmental Funds
<u>Revenues</u>					
Taxes	\$ 455,976	\$ 249,544	\$ -	\$ -	\$ 705,520
Licenses and Permits	6,275	-	-	-	6,275
State Grants	147,777	-	-	1,244	149,021
Charges for Services	40,092	-	-	-	40,092
Interest and Rents	36,994	24,746	463	-	62,203
Other	20,682	3,617	46,991	3,000	74,290
Total	<u>707,796</u>	<u>277,907</u>	<u>47,454</u>	<u>4,244</u>	<u>1,037,401</u>
<u>Expenditures</u>					
Legislative	27,159	-	-	-	27,159
General Government	280,783	-	-	-	280,783
Public Safety	47,532	109,561	-	1,163	158,256
Public Works	83,381	-	51,622	225	135,228
Recreation and Cultural	134,671	-	-	-	134,671
Other	80,473	-	-	-	80,473
Capital Outlay	25,430	130,645	-	-	156,075
Debt Service	6,700	12,575	42,394	-	61,669
Total	<u>686,129</u>	<u>252,781</u>	<u>94,016</u>	<u>1,388</u>	<u>1,034,314</u>
<u>Excess Revenues (Expenditures) and</u>					
<u>Net Change in Fund Balances</u>	21,667	25,126	(46,562)	2,856	3,087
Fund Balance – Beginning of Year	<u>424,346</u>	<u>524,463</u>	<u>69,109</u>	<u>20,942</u>	<u>1,038,860</u>
Fund Balance – End of Year	<u>\$ 446,013</u>	<u>\$ 549,589</u>	<u>\$ 22,547</u>	<u>\$ 23,798</u>	<u>\$ 1,041,947</u>

See Accompanying Notes to Basic Financial Statements

Tobin & Co.

Milton Township
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Activities
For the Year Ended March 31, 2007

Net change in fund balances – total governmental funds	\$ 3,087
Governmental fund report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital assets and costs of intangible assets exceeded depreciation and amortization in the current period.	403,160
Revenues from special assessments are recognized as revenue in the government funds as collections occur. This is the amount recognized during the period.	(16,368)
Governmental funds defer property tax revenues received more than sixth days after the year end as unavailable financial resources for the fund financial statements. In the statement of activities they are not deferred. This is the change in the deferral during the year.	(3,024)
Repayment of note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount of new debt incurred less repayment of principal during the period.	<u>(318,582)</u>
Changes in net assets of governmental activities	<u>\$ 68,273</u>

See Accompanying Notes to Basic Financial Statements

Tobin & Co.

Milton Township Statement of Fiduciary Net Assets March 31, 2007

Assets	<u>Agency Funds</u>
Cash and Investments	<u>\$ 6,484</u>
Total Assets	<u>6,484</u>
Liabilities	
Undistributed Taxes and Interest	<u>6,484</u>
Total Liabilities	<u>6,484</u>
Net Assets	<u>\$ -</u>

See Accompanying Notes to Basic Financial Statements

Tobin & Co.

Milton Township Notes to Financial Statements March 31, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Milton Township is a general law township located in Antrim County. Population as of the 2000 census was 2,072, and the current state equalized valuation and taxable value for taxable property is \$452,419,310 and \$253,018,849, respectively.

The Township's basic financial statements include the accounts of all Township operations. The criteria for including organizations within the Township's reporting entity, as set forth in GASB No. 14, "*The Financial Reporting Entity*" includes oversight responsibility, fiscal dependency and whether the financial statements would be misleading if data were not included.

Based on the above criteria, there are no other organizations included in these financial statements.

B. Basis of Presentation

The government-wide financial statements (the statement of net assets and the statement of changes in net assets) report information on all of the activities of the Township. The effect of interfund activity, within the governmental activities column, has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements:

The Township segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The Township has presented the following governmental funds:

General Fund – This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the Township. Revenues are derived primarily from property taxes, state distributions or grants, and other intergovernmental revenues.

Special Revenue Funds – These funds are used to account for specific governmental revenues (other than expendable trusts and major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Permanent Funds – These funds are used to account for resources that are legally restricted to the extent that only the earnings, and not the principal, may be used for purposes that support the reporting government's programs.

Fiduciary Funds

These funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Tobin & Co.

Milton Township
Notes to Financial Statements
March 31, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental fund and agency fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Township considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenue susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received.

D. Budgets

The General Fund and Special Revenue Funds are under formal budgetary control. Budgets shown in the required supplementary schedules for these funds were prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those amounts contained in the formal budget approved and amended by the Township.

In the body of the financial statements and the required supplementary schedules, the Township's actual and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets for these funds were adopted to the activity or cost center level.

For budgetary purposes appropriations lapse at fiscal year end.

E. Capital Assets

Capital assets, which includes property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest is capitalized during the construction period on property, plant and equipment.

Tobin & Co.

Milton Township Notes to Financial Statements March 31, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Capital Assets (Continued)

Assets capitalized have an original cost of \$1,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Land Improvements	10 – 20 years
Buildings and Improvements	25 – 40 years
Vehicles	5 – 10 years
Machinery and Equipment	5 – 10 years
Furniture and Equipment	3 – 10 years

F. Property Tax Procedures and Collections

Properties are assessed as of December 31 and the related property taxes become a lien the following July 1 and/or December 1. Real property taxes are collected by the Township Treasurer through February 28 of each year. As of March 1, uncollected real property taxes are returned delinquent to, and collected by, the County Treasurer. Personal property taxes remain the responsibility of the Township Treasurer to collect. It is the policy of the Township to record the real property taxes in the year of levy.

During the collection period prior to March 1, the Township Treasurer makes distribution of the property tax collections to the various taxing units (County, School District, etc.) as required by statute.

For the fiscal year the Township levied property taxes as follows:

	SEV	Taxable Value	Millage Rate
General Operating	\$455,103,460	\$253,436,554	.9452
Fire Protection	\$452,763,360	\$251,096,454	1.0000
Ambulance Service	\$455,103,460	\$253,436,554	.2000
Roads	\$455,103,460	\$253,436,554	.1568

G. Investments

At March 31, 2007, the Township had no investments.

H. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Fiduciary Fund Type and Non-expendable Trust Funds consider all highly liquid investments with a remaining maturity of three months or less when purchased to be cash equivalents.

Tobin & Co.

Milton Township Notes to Financial Statements March 31, 2007

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. We noted no violations of legal provisions and/or contractual provisions of various agreements related to financial matters.
- B. All funds had positive fund balances at March 31, 2007.
- C. Public Act 621 of 1978, Section 18, provides that a local unit shall not incur expenditures in excess of the amount appropriated. During the year ended March 31, 2007, expenditures in one cost center exceeded the budget.

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS

A. Legal Provisions for Deposits and Investments

Act 20, Public Acts of 1943, as amended by Act 217, Public Acts of 1982, and Act 196, Public Acts of 1997, states that the Township, by resolution, may authorize the Treasurer to invest surplus funds as follows:

- (1) In bonds and other direct obligations of the United States or an agency or instrumentality of the United States.
- (2) In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union which is insured by the National Credit Union Administration, but only if the bank, savings and loan association, or credit union complies with subsection (2).
- (3) In commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and which matures not more than 270 days after date of purchase.
- (4) Repurchase agreements consisting of instruments defined in (1) above.
- (5) In bankers' acceptances of United States Banks.
- (6) Obligations of the State of Michigan or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.
- (7) In mutual funds registered under the investment company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by local units of government in Michigan.

B. Types of Deposits and Investments

The Township had \$1,232,860 deposited with local financial institutions at March 31, 2007 with a carrying value of \$1,215,898. Interpreting the FDIC insurance coverage of \$100,000 of demand deposits and \$100,000 of time deposits per financial institution, the Township had \$1,032,860 of uninsured deposits at March 31, 2007.

Tobin & Co.

Milton Township Notes to Financial Statements March 31, 2007

NOTE 4 - CAPITAL/INTANGIBLE ASSETS

	<u>3/31/06</u>	<u>Additions</u>	<u>Deletions</u>	<u>3/31/07</u>
Governmental Activities:				
Land and Improvements	\$ 383,805	\$ -	\$ -	\$ 383,805
Buildings and Improvements	845,292	5,180	-	850,472
Machinery and Equipment	179,182	62,749	-	241,931
Office Furniture and Equipment	7,954	1,372	-	9,326
Vehicles	<u>690,708</u>	<u>401,453</u>	<u>-</u>	<u>1,092,161</u>
Total	2,106,941	470,754	-	2,577,695
Less Accumulated Depreciation	<u>(837,967)</u>	<u>(94,204)</u>	<u>-</u>	<u>(932,171)</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,268,974</u>	<u>\$ 376,550</u>	<u>\$ -</u>	<u>\$ 1,645,524</u>
Intangible Assets:				
Roads	\$ 367,805	\$ -	\$ -	\$ 367,805
Less Accumulated Amortization	<u>(26,610)</u>	<u>(14,712)</u>	<u>-</u>	<u>(41,322)</u>
Intangible Assets, Net	<u>\$ 341,195</u>	<u>\$ (14,712)</u>	<u>\$ -</u>	<u>\$ 326,483</u>

NOTE 5 - LONG-TERM DEBT

A summary of long-term debt principal maturities and interest requirements is as follows:

<u>Year Ending</u>	<u>Weathertop</u>	<u>Land Contract</u>	<u>Fire Truck</u>	<u>Total</u>
March 31, 2008	\$ 40,956	\$ 2,590	\$ 70,638	\$ 114,184
March 31, 2009	39,519	2,592	70,638	112,749
March 31, 2010	38,081	-	70,638	108,719
March 31, 2011	36,644	-	70,638	107,282
March 31, 2012	35,491	-	70,876	106,367
Thereafter	<u>196,961</u>	<u>-</u>	<u>-</u>	<u>196,961</u>
Total	387,652	5,182	353,428	746,262
Less Interest	<u>97,652</u>	<u>308</u>	<u>36,917</u>	<u>134,877</u>
	<u>\$ 290,000</u>	<u>\$ 4,874</u>	<u>\$ 316,511</u>	<u>\$ 611,385</u>

NOTE 6 - LOANS AND TRANSFERS BETWEEN FUNDS

There were no inter-fund loans, advances or transfers during the audit year.

NOTE 7 - INVENTORIES

Milton Township does not maintain a substantial inventory of supplies or materials. Purchases are normally made as needed, and the items are recorded as expenses when purchased.

Tobin & Co.

Milton Township Notes to Financial Statements March 31, 2007

NOTE 8 - RETIREMENT PLAN

The Township participates in a defined pension plan for Michigan Township employees through Manufacturers Life Insurance Company. Listed below is a summary of the significant plan provisions as amended by Board resolution effective June 1, 2002:

A. Eligibility Requirements

1. Attained age of 18.
2. No minimum service requirement.
3. All elected officials and full-time employees, except firemen and seasonal employees.

B. Contributions

1. 10% of annual compensation is funded annually.
2. Compensation determined by the basic annual rate of compensation in effect at the beginning of the plan year.
3. Township pays 100% of required annual contribution.

C. Vesting

1. Contributions are vested to the employee immediately upon entering the plan..

D. Plan Administration

1. The plan is administered by the Township Supervisor and Clerk. During the year ended March 31, 2007, the total Township contribution for the plan year, June 1, 2006 to May 31, 2007 was \$16,690. Covered payroll for the year was \$166,900 with total payroll of \$219,202 for all employees. The plan was funded at the required contribution amount.

NOTE 9 - ACCOUNTS/TAXES RECEIVABLE

Delinquent taxes receivable of \$23,084 in the General Fund and \$14,820 in the Special Revenue Funds, represent 2006 real property tax and property tax administration fees returned delinquent to the County Treasurer for collection as of March 1, 2007.

NOTE 10 - PROPERTY TAX ADMINISTRATION FEES

As permitted by statute, the Township levied a 1% administration fee on all 2005 property taxes. This fee may be used only to offset such property tax administration expenses as assessing, collecting, and the review and appeal process. Fee expenditures exceeded collections for the year by \$52,030, and at March 31, 2007 accumulated fee expenditures exceeded collections by \$94,066.

NOTE 11 - CONTINGENT LIABILITIES

Township officials are aware of no contingent liabilities as of March 31, 2007.

NOTE 12- RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the audit year the Township addressed these risks through the purchase of commercial insurance through Municipal Underwriters of Michigan. There was no significant reduction of insurance coverage from prior years nor have the amounts of any settlements exceeded insurance coverage in any of the past three fiscal years.

NOTE 13- COMPENSATED ABSENCES

The Township provides no compensated absences.

NOTE 14- PRIOR PERIOD ADJUSTMENT

An adjustment of \$273,309 was made to net assets at March 31, 2006 to correct an error.

SUPPLEMENTAL DATA SECTION

Tobin & Co.

Milton Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
For the Year Ended March 31, 2007

Schedule 1
Page 1

	Budgetary Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Revenues				
Taxes:				
Current Taxes	\$ 213,375	\$ 213,375	\$ 224,675	\$ 11,300
Delinquent Taxes	13,631	14,101	19,584	5,483
Ambulance	41,880	41,880	47,532	5,652
Library	104,954	104,954	95,232	(9,722)
Property Tax Administration Fees	67,726	67,726	68,953	1,227
Licenses and Fees	4,000	4,000	6,275	2,275
State Grants:				
State Shared Revenues	143,376	143,376	141,375	(2,001)
Metro Act	-	-	6,402	6,402
Charges for Services	6,200	6,200	2,800	(3,400)
Summer Tax Collection Fee	10,410	10,410	10,481	71
Cable TV Franchise Fees	25,000	25,000	26,811	1,811
Interest and Rents:				
Earned Interest	14,000	14,000	31,953	17,953
Rents and Royalties	4,570	4,570	5,041	471
Other:				
Miscellaneous	42,500	42,500	20,682	(21,818)
Total Revenues	691,622	692,092	707,796	15,704
Expenditures				
Legislative:				
Township Board:				
Salaries and Wages	-	-	4,905	-
Legal and Audit	-	-	14,809	-
Office Supplies	-	-	183	-
Dues	-	-	4,033	-
Mileage and Travel	-	-	119	-
Printing and Publishing	-	-	2,455	-
Education and Training	-	-	258	-
Other Expenses	-	-	397	-
Total	26,100	28,300	27,159	1,141
Total Legislative	26,100	28,300	27,159	1,141
General Government:				
Township Supervisor:				
Salaries and Wages	-	-	21,156	-
Supplies	-	-	27	-
Education and Other	-	-	1,064	-
Total	22,306	22,306	22,247	59
Elections:				
Salaries and Wages	-	-	2,970	-
Office Supplies	-	-	1,396	-
Education	-	-	500	-
Miscellaneous	-	-	542	-
Total	5,400	5,705	5,408	297

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
For the Year Ended March 31, 2007

Schedule 1
Page 2

	<u>Budgetary Amounts</u>		<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (Continued)</u>				
General Government (Continued):				
Assessor:				
Salary	-	-	30,060	-
Legal	-	-	133	-
Computer Services	-	-	5,083	-
Miscellaneous	-	-	257	-
Total	<u>35,350</u>	<u>36,450</u>	<u>35,533</u>	<u>917</u>
Clerk:				
Salaries and Wages	-	-	19,040	-
Salary - Deputy	-	-	6,090	-
Contracted Services	-	-	469	-
Office Supplies	-	-	265	-
Dues	-	-	50	-
Education	-	-	936	-
Miscellaneous	-	-	452	-
Total	<u>27,540</u>	<u>27,740</u>	<u>27,302</u>	<u>438</u>
Board of Review:				
Salaries and Wages	-	-	950	-
Printing and Publishing	-	-	141	-
Miscellaneous	-	-	70	-
Total	<u>1,500</u>	<u>1,500</u>	<u>1,161</u>	<u>339</u>
Treasurer:				
Salaries and Wages	-	-	25,281	-
Salary – Deputy	-	-	2,835	-
Telephone	-	-	259	-
Computer Services	-	-	3,764	-
Travel	-	-	80	-
Total	<u>32,631</u>	<u>32,631</u>	<u>32,219</u>	<u>412</u>
Township Hall and Grounds:				
Salaries and Wages	-	-	5,437	-
Contracted Services	-	-	9,710	-
Telephone	-	-	4,902	-
Utilities	-	-	6,340	-
Maintenance and Repairs	-	-	5,293	-
Total	<u>32,750</u>	<u>33,750</u>	<u>31,682</u>	<u>2,068</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
For the Year Ended March 31, 2007

Schedule 1
Page 3

	<u>Budgetary Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (Continued)</u>				
General Government (Continued):				
Planning and Zoning:				
Salaries and Wages	-	-	62,140	-
Office Supplies	-	-	201	-
Legal	-	-	40,000	-
Contracted Services	-	-	9,000	-
Printing and Publishing	-	-	2,500	-
Education	-	-	4,227	-
Miscellaneous	-	-	1,215	-
Total	<u>120,750</u>	<u>120,750</u>	<u>119,283</u>	<u>1,467</u>
Cemetery:				
Salaries and Wages	-	-	3,000	-
Supplies	-	-	315	-
Contracted Services	-	-	2,200	-
Utilities	-	-	96	-
Maintenance and Repairs	-	-	337	-
Total	<u>6,800</u>	<u>10,900</u>	<u>5,948</u>	<u>4,952</u>
Total General Government	<u>285,027</u>	<u>291,732</u>	<u>280,783</u>	<u>10,949</u>
Public Safety:				
Fire and Ambulance:				
Contracted Services – Ambulance	<u>41,879</u>	<u>41,879</u>	<u>47,532</u>	<u>(5,653)</u>
Total Public Safety	<u>41,879</u>	<u>41,879</u>	<u>47,532</u>	<u>(5,653)</u>
Public Works:				
Roads	43,570	43,570	43,569	1
Street Lights	2,500	2,500	2,000	500
Cleanup and Recycling	<u>38,000</u>	<u>38,000</u>	<u>37,812</u>	<u>188</u>
Total Public Works	<u>84,070</u>	<u>84,070</u>	<u>83,381</u>	<u>689</u>
Recreation and Culture:				
Parks and Accesses:				
Salaries and Wages	-	-	16,020	-
Supplies	-	-	2,447	-
Contracts	-	-	2,073	-
Repair and Maintenance	-	-	19,056	-
Total Parks and Accesses	<u>32,720</u>	<u>108,095</u>	<u>39,596</u>	<u>68,499</u>
Library	<u>104,954</u>	<u>104,954</u>	<u>95,075</u>	<u>9,879</u>
Total Recreation and Culture	<u>137,674</u>	<u>213,049</u>	<u>134,671</u>	<u>78,378</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
For the Year Ended March 31, 2007

Schedule I
Page 4

	<u>Budgetary Amounts</u>		<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Expenditures (Continued)</u>	<u>Original</u>	<u>Final</u>		
Other:				
Payroll Taxes and Fringe Benefits	60,000	60,000	58,719	1,281
Insurance	23,120	23,120	21,754	1,366
Debt Service	6,700	6,700	6,700	-
Capital Outlay	34,600	34,600	25,430	9,170
Contingency	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other	<u>144,420</u>	<u>124,420</u>	<u>112,603</u>	<u>11,817</u>
Total Expenditures	<u>719,170</u>	<u>783,450</u>	<u>686,129</u>	<u>97,321</u>
Excess Revenues (Expenditures)	(1) <u>\$ (27,548)</u>	<u>\$ (91,358)</u>	21,667	<u>\$ 113,025</u>
Fund Balance – Beginning of Year			<u>424,346</u>	
Fund Balance – End of Year			<u>\$ 446,013</u>	
(1) Budgeted from Fund Balance				

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Fire Fund
For the Year Ended March 31, 2007

Schedule 2

	<u>Budgetary Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes:				
Current Taxes	\$ 217,296	\$ 217,296	\$ 235,569	\$ 18,273
Delinquent Taxes	13,582	13,582	13,975	393
Interest and Rents:				
Earned Interest	5,000	5,000	24,746	19,746
Other:				
Donations and Miscellaneous	-	-	3,617	3,617
Total Revenues	<u>235,878</u>	<u>235,878</u>	<u>277,907</u>	<u>42,029</u>
<u>Expenditures</u>				
Salaries and Wages	33,600	33,600	33,375	225
Payroll Taxes	2,600	2,600	1,568	1,032
Supplies – Including Medical	8,000	8,000	5,683	2,317
Professional Services	1,000	1,300	2,885	(1,585)
Building and Grounds	5,600	5,600	1,016	4,584
Telephone	2,000	2,000	2,078	(78)
Memberships and Dues	1,000	1,000	700	300
Insurance	12,000	12,000	12,745	(745)
Utilities	9,000	9,000	8,691	309
Maintenance and Repairs	17,500	17,500	23,093	(5,593)
Education	5,500	5,500	4,445	1,055
Miscellaneous	16,200	16,200	13,282	2,918
Capital Outlay	145,000	145,000	130,645	14,355
Debt Service Payments	12,600	12,600	12,575	25
Contingency	<u>10,000</u>	<u>9,700</u>	<u>-</u>	<u>9,700</u>
Total Expenditures	<u>281,600</u>	<u>281,600</u>	<u>252,781</u>	<u>28,819</u>
Excess Revenues (Expenditures)	(1) \$ <u>(45,722)</u>	\$ <u>(45,722)</u>	25,126	\$ <u>70,848</u>
Fund Balance – Beginning of Year			<u>524,463</u>	
Fund Balance – End of Year			<u>\$ 549,589</u>	
(I) Budgeted from Fund Balance				

The Notes to the Basic Financial statements are an integral part of this statement.

Tobin & Co.

Milton Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Weathertop Special Assessment District
For the Year Ended March 31, 2007

Schedule 3

	<u>Budgetary Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Earned Interest	\$ -	\$ -	\$ 463	\$ 463
Special Assessment	-	-	46,991	46,991
Total	-	-	47,454	47,454
<u>Expenditures</u>				
Public Safety	-	-	51,622	(51,622)
Debt Service	-	-	42,394	(42,394)
Total	-	-	94,016	(94,016)
Excess Revenues (Expenditures)	\$ -	\$ -	(46,562)	\$ (46,562)
Fund Balance – Beginning of Year			69,109	
Fund Balance – End of Year			\$ 22,547	

The Notes to the Basic Financial statements are an integral part of this statement.

Tobin & Co.

Milton Township
Combining Balance Sheet
Non-Major Governmental Funds
March 31, 2007

Schedule 4

<u>Assets</u>	<u>Special Revenues</u>			<u>Total</u>
	<u>Parks</u>	<u>Liquor Law Enforcement</u>	<u>Farmland Preservation</u>	
Cash and Cash Equivalents	\$ 14,129	\$ 6,628	\$ 3,041	\$ 23,798
Total Assets	<u>\$ 14,129</u>	<u>\$ 6,628</u>	<u>\$ 3,041</u>	<u>\$ 23,798</u>
 <u>Liabilities and Fund Equity</u>				
Liabilities:	\$ -	\$ -	\$ -	\$ -
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Equity:				
Fund Balance – Reserved	-	-	-	-
Fund Balance – Unreserved	14,129	6,628	3,041	23,798
Total	<u>14,129</u>	<u>6,628</u>	<u>3,041</u>	<u>23,798</u>
Total Liabilities and Fund Balance	<u>\$ 14,129</u>	<u>\$ 6,628</u>	<u>\$ 3,041</u>	<u>\$ 23,798</u>

The Notes to the Basic Financial statements are an integral part of this statement.

Tobin & Co.

Milton Township
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
March 31, 2007

Schedule 5

<u>Revenues</u>	<u>Special Revenues</u>			<u>Total</u>
	<u>Parks</u>	<u>Liquor Law Enforcement</u>	<u>Farmland Preservation</u>	
Grants	\$ -	\$ 1,244	\$ -	\$ 1,244
Contributions	3,000	-	-	3,000
Total	3,000	1,244	-	4,244
<u>Expenditures</u>				
Public Safety	-	1,163	-	1,163
Public Works	-	-	225	225
Total	-	1,163	225	1,388
<u>Excess Revenues (Expenditures)</u>	3,000	81	(225)	2,856
Fund Balance – Beginning of Year	11,129	6,547	3,266	20,942
Fund Balance – End of Year	\$ 14,129	\$ 6,628	\$ 3,041	\$ 23,798

The Notes to the Basic Financial statements are an integral part of this statement.

Tobin & Co.

Milton Township
Statement of Changes in Assets and Liabilities
Current Tax Collection Fund
For the Year Ended March 31, 2007

Schedule 6

	Balance 3/31/06	Additions	Deductions	Balance 3/31/07
<u>Assets</u>				
Cash	\$ 30,725	\$ 7,329,704	\$ 7,353,945	\$ 6,484
Total Assets	\$ 30,725	\$ 7,329,704	\$ 7,353,945	\$ 6,484
 <u>Liabilities</u>				
Undistributed Taxes and Interest	\$ 30,725	\$ 7,329,704	\$ 7,353,945	\$ 6,484
Total Liabilities	\$ 30,725	\$ 7,329,704	\$ 7,353,945	\$ 6,484

The Notes to the Basic Financial statements are an integral part of this statement.

Tobin & Co.

Milton Township
2006 Property Tax Levy and Collections
For the Year Ended March 31, 2007

Schedule 7

	<u>Millage Rate</u>	<u>Adjusted Levy</u>	<u>Collected</u>	<u>Returned Delinquent</u>
County Tax	5.2014	\$ 1,314,219	\$ 1,252,194	\$ 62,025
Commission on Aging	0.3852	97,316	91,556	5,760
Medical Care Facility	0.6937	175,265	164,891	10,374
School District Tax	20.3600	2,964,444	2,846,452	117,992
State Education	6.0000	1,516,020	1,453,839	62,181
Intermediate School District	2.9421	743,359	712,870	30,489
District Library	0.4000	101,057	95,075	5,982
Township Taxes				
- General	0.9452	238,811	224,675	14,136
- Fire Protection	1.0000	250,325	235,505	14,820
- Ambulance	0.2000	50,522	47,532	2,990
- Roads	0.1568	36,909	33,979	2,930
- Property Tax Administration Fee		<u>71,982</u>	<u>68,954</u>	<u>3,028</u>
Total		<u>\$ 7,560,229</u>	<u>\$ 7,227,522</u>	<u>\$ 332,707</u>
Percent of Levy Collected	95.60%			
State Equalized Value		\$455,103,460		
Taxable Value		\$253,436,554		

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township
Statement of Revenues, Expenditures and Balance
Property Tax Administration Fees
For the Year Ended March 31, 2007

Schedule 8

Revenues

Property Tax Administration Fees	\$ 68,953
Total Revenues	<u>68,953</u>

Expenditures

Assessor (100%)	35,533
Board of Review (100%)	1,161
Treasurer – (75% of salary plus Deputy salary)	21,796
Supervisor (15%)	3,337
Clerk (5%)	1,365
Postage and Supplies	2,745
Contract Services (100%)	3,764
Travel (75%)	80
Education (75%)	90
Insurance, Utilities and Use of Building	<u>1,000</u>
Total	<u>70,871</u>
Excess Revenues (Expenditures)	(1,918)
Excess Revenues (Expenditures) – Prior Years	<u>(94,066)</u>
Accumulated Excess Revenues (Expenditures)	\$ <u>(95,984)</u>

The Notes to the Financial Statements are an integral part of this statement.